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3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, August 21

NIKKEI (Page 2) (Full) August 22, 2007

Morning

Met at Hotel Nikko Jakarta in Jakarta, Indonesia, with those who had studied in Japan. Offered flowers at the National Heroic Cemetery in Karibata. Left Halim Airport.

Afternoon Arrived at Palam Air Force Station in Delhi, India.

Evening

Met with a Japanese mission led by the Japan Business Federation (Nippon Keidanren) together with Indian Prime Minister Singh at an international convention hall.

Night

Attended a welcome party hosted by Japan-India friendship organizations at the India International Center. Afterwards, attended a meeting with presidents of Japanese and Indian universities. Later, attended a dinner party hosted by Prime

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Minister Singh at his official residence.

4) Prime Minister Abe arrives in India

MAINICHI (Page 2) (Full) August 22, 2007

Yudai Nakazawa, New Delhi

Prime Minister Shinzo Abe yesterday afternoon (night of that day, Japan time) arrived in New Delhi, India, the second leg of his Asian tour, by a government plane. He attended a welcome party hosted by Japan-India friendship organizations and emphasized the importance of promoting exchange between the two countries.

Abe joined Prime Minister Singh receiving a courtesy call from a Japanese economic mission led by the Japan Business Federation (Nippon Keidanren). On that occasion, Abe declared, "I will work out measures that will benefit both Japanese and Indian private-sector companies in cooperation with the Indian government so as to sign an economic partnership agreement (EPA) and improve infrastructure." Welcoming the mission, Singh said: "For further expansion of relations in the area of trade and investment, I welcome proposals from Japanese firms." Afterwards, Abe attended a dinner party hosted by Singh held at the prime minister's official residence.

Today, Abe will attend a welcome ceremony at the presidential residence and deliver a speech in the Indian parliament.

5) Indian prime minister supports Prime Minister Abe's proposal for halving emissions of greenhouse gases

NIHON KEIZAI (Page 5) (Full) August 22, 2007

Yasuo Awai, New Delhi

Indian Prime Minister Singh yesterday received a courtesy call from a Japanese mission led by the Japan Business Federation (Nippon Keidanren) in New Delhi. Referring to global warming, Singh told the mission, "I welcome Prime Minister Shinzo Abe's initiative," indicating he supports Abe's "Cool Earth 50," a concept aimed at reducing the greenhouse gases emitted from the entire earth by half by 2050.

India emits greenhouse gases accounting for 4 PERCENT or so of the world's total. Singh emphasized his intention to grapple with cutting the emissions of greenhouse gases by improving, for instance, energy efficiency, noting, "India shares concerns about climate change with the rest of the world." At the same time he indicated that a post-Kyoto Protocol framework should give

consideration to developing countries, saying, "It's important to keep a balance between development and poverty reduction.

Speaking of Japan-India negotiations on an economic partnership agreement (EPA), which started in January, Singh underscored his plan to sign an EPA as quickly as possible, noting, "The economies of the two countries significantly complement each other, so I expect an EPA to play a meaningful role." Nippon Keidanren Chairman Fujio Mitarai revealed a simulation that "The companies that have sent their representatives to this mission to India have plans to invest 200 billion yen or more in India over the next five years."

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Prime Minister Abe, who, along with Singh, received this courtesy call from the Japanese mission, expressed his enthusiasm to strengthen economic ties with India, noting, "Japan-India relations have now moved into a new dimension as the trade value has doubled and the amount of investments have expanded four times for the past three years."

6) Conference of presidents of Japanese and Indian universities held with Prime Minister Abe also in attendance

YOMIURI (Page 2) (Full) August 22, 2007

Kensuke Nakazawa, New Delhi

Prime Minister Abe, who is now on a tour of Asian countries, yesterday morning (afternoon of that day, Japan time) departed Jakarta, Indonesia, aboard a government plane and arrived in India on the afternoon of the same day (evening of that day, Japan time).

Taking this opportunity of Abe's visit to India, presidents of 12 Japanese universities, including the University of Tokyo, Kyoto University, Waseda University, and Keio University, and 14 Indian universities, such as the Indian Institute of Technology, yesterday evening (night of the same day, Japan time) held the first Japan-India conference of university presidents at the India International Center in New Delhi. The session was joined by Prime Minister Abe. He emphasized in a speech given there: "Of some 100,000 foreign students studying in Japan, the number of Indian students is only 500 or so. We on the part of the government would like to actively support exchanges of students between Japan and India."

The conference of presidents this time was aimed at increasing exchanges of Japanese and Indian students, which have been less active than those with Japan's neighboring countries like China. The Japanese government deems it essential to promote personnel exchanges in order to team up with India, which has been remarkably growing in the areas of information technology and finance.

7) Defense Minister Koike departs for India, Pakistan

SANKEI (Page 5) (Full) August 22, 2007

Defense Minister Yuriko Koike yesterday left Narita by a JAL plane to visit India and Pakistan.

Today, Koike will meet with President Musharraf and Defense Minister Iqbal of Pakistan and exchange views with them about the Maritime Self-Defense Force's (MSDF) refueling services to US, Pakistani and other countries vessels engaged in the fight against terrorism in the Indian Ocean.

Koike will explain that the Antiterrorism Special Measures Law, the legal basis for the MSDF's refueling operations, expires on Nov. 1 and indicate that the Japanese government will continue cooperation on the war on terror. She is expected to confirm the importance of continuing refueling operations with the Pakistani side.

In India, Koike will meet with Defense Minister Antony and confirm

cooperation and promotion in the security area. On Aug. 25, she will return home.

8) With negotiations on F-22s stalled, MOD to request budget money for refitting F-15s, current mainstay fighter aircraft, at cost of 100 billion yen

Nikkei (Page 2) (Excerpts) Eve., August 21, 2007

The Ministry of Defense (MOD) on August 21 has decided to include in its budget request for fiscal 2008 outlays to greatly refit the F-15, which is Japan's current mainstay fighter aircraft. The request is for approximately 100 billion yen, the anticipated cost of refitting 32 aircraft. The amount is four times the usual budget allocation for refitting aircraft. With coordination with the United States over the its providing information on the F22A-Raptor, a new Stealth-type aircraft that Japan sees as a leading candidate to be its next generation fighter (FX), the aim is to prevent a deterioration in Japan's air power.

9) MSDF's refueling mission cost 22 billion yen; Government avoids explanation, citing military secrecy

TOKYO SHIMBUN (Page 2) (Full) August 22, 2007

The Antiterrorism Law was established in October 2001 with the aim of extending logistical support in the operations against terrorists in Afghanistan. The Maritime Self-Defense Force has been refueling naval vessels of the United States and other countries in the Indian Ocean. It is a symbol of the Japan-US alliance, according to a senior Defense Ministry official. But the actual situation and the results of the MSDF's activities of six years remain unclear.

As of July 26, the MSDF provided a total of 480,000 kiloliters of fuel to vessels of 11 countries, including the United States, Britain, and Pakistan, on 769 occasions. They also provided 940 kiloliters of fuel for helicopters on 64 occasions, and 6,170 tons of water on 113 occasions. The total cost came to 22 billion yen.

The vessels that were refueled by the MSDF have been engaged in operations to block the travel of terrorists and the transport and proliferation of weapons in the Indian Ocean.

A senior Defense Ministry official explained: "Supporting the war on terrorism leads to international contributions and an enhanced Japan-US alliance."

But the government has been ignoring the Democratic Party of Japan's request for a detailed explanation about the results of Japan's assistance by citing military secrecy.

DPJ Secretary General Yukio Hatoyama said: "We want to know specifically what countries and what vessels have been receiving fuel from the MSDF. Is the MSDF refueling only vessels headed to Afghanistan? Or are they refueling vessels bound for Iran and Iraq as well?"

The DPJ has cited a lack of information for its opposition to the law's extension.

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10) SDF police commands to be integrated

YOMIURI (Top play) (Abridged) August 22, 2007

The Defense Ministry plans to integrate the police commands of the Ground, Maritime, and Air Self-Defense Forces in order to toughen SDF personnel's discipline and prevent their misconduct, officials said yesterday. The GSDF, MSDF, and ASDF police commands are in

charge of investigating criminal cases involving SDF personnel. The police commands of the three SDF services will be reorganized into one, which will be placed under the defense minister's direct control. In the past, there were a number of events brought about by SDF personnel. For instance, MSDF personnel removed data about Aegis-equipped vessels. Among other incidents, the Defense Facilities Administration Agency was involved in bid-rigging cases. The Defense Ministry will therefore strengthen the SDF police commands in order for SDF personnel to abide by laws and ordinances. The Defense Ministry will also launch a new body, called the Defense Inspection Headquarters, in September. In this connection, the Defense Ministry has informally decided to appoint Masafumi Sakurai, 62, former superintendent public prosecutor of the Nagoya High Public Prosecutors Office, as the first incumbent for the post of defense inspector general at the Defense Inspection Headquarters. The defense inspector general ranks next to the post of vice minister.

The three SDF police commands are expected to be reorganized by March 2009. The GSDF Police Command is manned with 800, the MSDF Police Command with 140, and the ASDF Police Command with 150. The three police commands remain unable to cooperate in a sufficient way because of their separate structures, so there is a limit to their investigative capacity.

The Defense Ministry says it will be possible for the three SDF branches to share investigative information and know-how as a result of integrating their police commands. In addition, the Defense Ministry also deems it possible to conduct intensive investigations into major events.

11) China possibly involved in defense info leaks

SANKEI (Top play) (Abridged) August 22, 2007

An engineering official of the Defense Agency, now the Defense Ministry, took out submarine-related files for internal use only. In connection with this incident, Tokyo's Metropolitan Police Department (MPD) searched a former trading company president's home and other locations where the police seized documents that can be taken as implying that a Chinese government official told the former trading house chief executive to get Japan's defense secrets (tokubetsu boei himitsu), sources revealed yesterday. The former chief executive has known officials from the Chinese Embassy in Japan. This former chief executive is suspected of having worked on the defense engineering official to provide information about the Self-Defense Forces' weapons and systems that fall under the category of defense secrets that are restricted under the Law for Information Security Concerning the Japan-US Mutual Defense Assistance Agreement and Other Arrangements, or the Japan-US Secret Protection Law for short. The police authorities are investigating the case on suspicion of a violation of the law.

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The ex-defense engineering official was assigned to the 1st Research Institute of the Technical Research and Development Institute (TRDI) under the Defense Ministry when it was in agency status. In March 2000, the engineering official, asked by the trading company president, photocopied and took out without permission a research paper on special steel materials used for submarine hulls, the police say. In March 2005, the police searched his home and other locations. In February this year, the MPD sent papers to prosecutors on the engineering official for theft. However, the prosecutors dropped the case because of insufficient evidence.

The directive document, which is believed to have been created by the China side, was seized at the former trading company president's related location, according to informed sources. The confiscated document is written in Chinese with a listing of defense equipment items for information. Those defense equipment items on the list are separate from the special steel materials for submarines. They are suspected of including those under the category of defense secrets that are highly confidential, according to the police authorities.

The MPD has also seized a note handwritten in Japanese by the former trading company president to rewrite the directive document's contents. In police questioning, the ex-defense engineering official stated that he remembers being asked by the former trading company president about those defense equipment items described that are on the list and described in the note. The engineering official has thus implied that the trading company president had worked on the engineering official to provide information.

In December 2001, the ex-defense engineering official visited Beijing at the former trading company president's expense and met several Chinese people at a hotel. The former engineering official explained that he "thought they were officials from the Chinese government." The former trading company president is therefore believed to have arranged the meeting in an aim to have those Chinese government officials get defense equipment information directly from the ex-defense engineering official.

12) DPJ launches security panel to discuss antiterrorism measures

YOMIURI (Page 4) (Abridged slightly) August 22, 2007

The Democratic Party of Japan (DPJ or Minshuto) established yesterday a panel to discuss ways to make international contributions composed of such members as Policy Research Committee Chair Takeaki Matsumoto, former party head Seiji Maehara, and Financial Committee Chair Kenji Yamaoka.

The purpose is to discuss antiterrorism measures and international contributions in anticipation that the question of extending the Antiterrorism Special Measures Law will be high on agenda in the next extraordinary Diet session.

Matsumoto, Maehara, Yamaoka and others held a preparatory meeting at party headquarters yesterday. As a result, they decided that the panel should discuss: (1) the contents of the antiterrorism law, (2) the security situation in Afghanistan and assistance by other countries, (3) the UN Security Council resolution that serves as the basis for support activities, and (4) the DPJ's security polity. The panel will meet once a week.

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After the July House of Councillors election, Maehara and others made a proposal to the party leadership and the party's official security research council to begin discussion on the antiterrorism law's extension and a permanent law pertaining to the overseas deployment of the SDF. But given the strong resistance about establishing a permanent law from the former socialists in the party, a decision has been made to discuss the matter at the newly launched panel.

DPJ President Ichiro Ozawa yesterday told Secretary General Yukio Hatoyama and Upper House Caucus Chairman Azuma Koshiishi to spend much time discussing a permanent law.

13) DPJ to unify its view on opposing the extension of the Anti-Terrorist Special Measures Law, while making a counterproposal for humanitarian aid its main policy theme

NIKKEI (Page 2) (Excerpts) August 22, 2007

The Democratic Party of Japan (DPJ or Minshuto) on Aug. 21 decided to unify party views on opposing the amendment bill to extend the Anti-Terrorism Special Measures Law, which will be the focus of attention in the upcoming extraordinary session of the Diet. From now on, it will actively promote in foreign and defense affairs-related party council meetings the drafting of a counterproposal to the anti-terror law. The outlook is the counterproposal would center on humanitarian assistance and other measures that members of the party would find difficult to oppose. The final decision on this approach will be made by November by the Next Cabinet (shadow cabinet).

DPJ President Ichiro Ozawa yesterday in a speech referred to his meeting with US Ambassador to Japan Schieffer, stressing: "Although I transmitted my message as if it were a personal view, I was only explaining our party's basic principle." For the first time, he stated that the party's policy stance would be to oppose extension of the anti-terror law.

Although there are views in the party, such as those of former President Seiji Maehara, that place importance on the alliance with the US and favor extending the law, Ozawa's unifying force has stifled such objections in the party. Ozawa in his speech severely criticized the government's responses, saying: "As always, without setting down any basic principles, they were driven by the US request, and went ahead based on a tortured logic."

Within the party, many take the view that "by just opposing the law, our party's ability to assume the reins of government will be questioned." With reconstruction assistance toward Afghanistan in mind, Ozawa told party Secretary General Hatoyama: "It would be nice if Japan could find some way to provide assistance in some kind of form that addresses poverty, the root of terrorism." Apparently what he had in mind included such specific official development assistance as civilian-led medical and food aid.

14) Extension of Antiterrorism Law expected to rekindle controversy; Should Japan prioritize its alliance with US or UN-centered diplomacy?

TOKYO SHIMBUN (Page 2) (Abridged slightly)

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August 22, 2007

The question of extending the Antiterrorism Special Measures Law will be high on agenda in the extraordinary Diet session in the fall. The Maritime Self-Defense Force's refueling services of nearly six years to naval vessels of the United States and other countries will be discussed in the Diet, whose upper chamber is now controlled by the opposition. Democratic Party of Japan (DPJ or Minshuto) President Ichiro Ozawa, who advocates UN-centered diplomacy, has expressed opposition to the government's call for the law's extension that puts high priority on the alliance with the United States. Debate is likely to flare up again over the SDF's overseas missions.

The war in Afghanistan is an operation against terrorist that followed the September 11, 2001, terrorist attacks on the United States. Then Foreign Minister Makiko Tanaka defined it as the exercise of the individual self-defense right by the United States.

In the previous regular Diet session, then Defense Minister Fumio Kyuma described the Antiterrorism Law as the legislation to back up and support America's war.

To explain his opposition to the law's extension, Ozawa indicated that America's war in Afghanistan has not been authorized by the United Nations.

The DPJ, advocating UN-centered diplomacy regarding the SDF's overseas missions, has been calling for "engagement" in collective security based on a UN resolution. Ozawa's stock argument is that Japan is allowed to join activities using force as long as they are based on a UN request. In his meeting on August 8 with US Ambassador to Japan Schieffer, Ozawa expressed a positive stance about allowing the SDF to join the NATO-led ISAF (International Security Assistance Force) in Afghanistan, saying that the force is on a mission to carry out activities similar to peacekeeping operations.

In enacting the Antiterrorism Law, the government also cited UN Security Council Resolution 1368 that recognized 9/11 as a threat to international peace and security as the basis for sending the SDF. The resolution also called for an international effort for eradicating terrorism.

The DPJ argued, however, that the resolution did not authorize the United States to use force. The government argued that Japan's

assistance did not constitute the use of force. The government consequently dispatched troops although its interpretation of the UN resolution was still ambiguous.

Following the enactment of the Antiterrorism Law, the previous Koizumi administration supported the US decision to launch the Iraq war, and embarked on the SDF's Iraq mission, playing up the "Japan-US alliance in a global context" during the 2003 Japan-US summit. Japan's diplomacy has been centered on its alliance with the United States.

Ozawa's opposition to the law's extension is intended to create a stir in such a policy course. The Diet is likely to replay the debate that took place when the law was established.

Earlier this month, Vice Foreign Minister Shotaro Yachi explained to visiting US Deputy Secretary of State Negroponte that the basic

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diplomatic policy course would not change. But the opposition-controlled Upper House has begun affecting the government's diplomatic and security policies.

15) DPJ to reshuffle its party executive lineup on Aug. 31, but Kan, Hatoyama expected to continue in their posts

NIKKEI (Page 2) (Excerpt) August 22, 2007

Democratic Party of Japan (DPJ or Minshuto) President Ichiro Ozawa yesterday indicated his intention to reshuffle the party executive lineup on Aug. 31. He wants to establish a unified party arrangement by strengthening links to the Upper House, where the ruling and opposition camps have traded places due to the election. The aim is to compete with the shuffled cabinet and Liberal Democratic Party executive lineup that Prime Minister Abe is planning for Aug. 27.

16) DPJ's Ozawa: "Government, probably in a state of brain death, has become quiet"

ASAHI (Page 4) (Full) August 22, 2007

Delivering a speech in Tokyo yesterday, Democratic Party of Japan (DPJ) President Ozawa cynically talked about the state of the Abe administration after its crushing defeat in the July House of Councillors election: "Probably because the government has lost its capacity for being a party or because it is in a state of brain death, it has become quiet about when an extraordinary Diet session this fall will be convened. But if the Abe cabinet is still in power next month, it supposedly will convene a session."

In reference to the issue of an extension of the Antiterrorism Special Measures Law, Ozawa emphasized that his opposition is in line with the party's policy platform released late last year. He said: "I told Ambassador Schieffer that I cannot support the government's plan to extend the law. This is not my personal view but is in accordance with the party's policy decision." He then explained why he is opposed to the plan: "US President Bush said that when the US goes to war, there is no need to obtain agreement from the international community. It is irrational for the US to ask the international community to offer aid at this stage."

17) New Komeito's Ota criticizes Abe administration as "sloppy"

ASAHI (Page 4) (Full) August 22, 2007

"There were many happenings, such as a cabinet minister (former Agriculture, Forestry and Fisheries Minister Akagi) appearing with bandages on his face. It might be true that the Abe administration is sloppy, as everybody says."

New Komeito President Ota criticized the Abe administration in his street-corner speech for the candidates backed by his party for the $\label{thm:minodemachi} \mbox{ Hinodemachi assembly election, which was officially announced yesterday.}$

In his first campaign speech after the July House of Councillors election, Ota said: "I would like to have the New Komeito make a

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fresh start." During the Upper House election campaign, Ota hardly criticized the Abe administration. His comment yesterday might have expressed his real feeling. In the party, there is dissatisfaction smoldering at the Abe cabinet, with a senior member grumbling: "The New Komeito's devastating defeat in the Upper House election is attributed to a serious of gaffes by some members in the Abe cabinet." Such an atmosphere may be behind Ota's critical comment.

18) LDP's Anti-Abe lawmakers hold meeting; Group to release policy proposal in early September

MAINICHI (Page 5) (Full) August 22, 2007

By Eriko Horii and Tamiko Kobayashi

Liberal Democratic Party (LDP) lawmakers who are critical of Prime Minister Shinzo Abe, on 21 August, held a preparatory meeting in Tokyo for establishing a policy study group. The lawmakers agreed to formulate a policy proposal to address regional disparities and release it in early September. They also plan to seek the participation of the other lawmakers who approve of the policy proposal. There is a possibility that the study group will serve as an organization of lawmakers who call on Prime Minister Abe for a policy change.

The participants of the preparatory meeting were: from the Tsushima faction, former education minister Kenji Kosaka, Lower House lawmakers Asahiko Mihara and Masazumi Gotoda; former home affairs minister Takeshi Noda of the Yamasaki faction; and Lower House lawmakers Hiroyuki Sonoda and Koichi Yamamoto of the Tanigaki faction. Lower House member Kisaburo Tokai (Yamasaki faction), another member of the meeting, was absent on 21 August.

The participants agreed that they will call for a change to measures to vitalize provinces, a social security policy, the education issue, and deregulation. Sonoda told a group of reporters after the meeting: "There are increasing disparities among the regions and industries, because market fundamentalism has gone too far. We would like to present a concrete proposal on how to narrow these gaps."

Sonoda stressed that the meeting's participants "are not anti-Abe." However, a critical view on Abe is simmering in the three LDP factions to which these lawmakers belong. None of the members of these factions were appointed cabinet ministers except Akira Amari (Yamasaki faction), minister of economy, trade and industry, who was selected as a "reward" for supporting Prime Minister Abe in the LDP presidential election last year. LDP lawmakers are closely watching how many more lawmakers will join the group.

19) Calls for Shiozaki's resignation growing stronger in ruling camp, following discovery of embezzlement of political funds by staffer

ASAHI (Page 4) (Excerpts) August 22, 2007

In reaction to the alleged embezzlement of political funds by a staff member of Chief Cabinet Secretary Yasuhisa Shiozaki's office, critical voices are erupting from ruling party members, with one member grumbling: "That is enough. I am really disgusted."

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Politics—and—money scandals involving Abe cabinet members are cropping up one after another. It was found that even Shiozaki, who is in the most pivotal post in the cabinet, had also been involved

in a money scandal. Despite this, he issued just a short comment. Many in the ruling parties are dissatisfied with the Abe cabinet, which is composed of his friends. They are expected to call on the prime minister to remove Shiozaki in the upcoming cabinet reshuffle.

In press conferences held after the media reported office expense scandals involving former Agriculture, Forestry and Fisheries Minister Toshikatsu Matsuoka, who committed suicide, and former Agriculture, Forestry and Fisheries Minister Norihiko Akagi, Shiozaki regarded these cases as politicians' individual problems and stressed the government's stance of offering no comment. But public criticism of such politics—and—money problems brought a crushing defeat to the Liberal Democratic Party in the July House of Councillors election.

After the election, Prime Minister Abe dismissed Akagi when another political funds scandal involving him came to light. When it was discovered that Justice Minister Nagase's office had received donations from a group accepting foreign trainees, Shiozaki also instructed Nagase to give a necessary explanation to the people. As it stands, the Prime Minister's Office (Kantei) has altered its response to such scandals in effect.

The LDP also decided on Aug. 7 to require its lawmakers to check their political groups' account books and financial reports covering from 2003 through 2006, as part of efforts to reconstruct the party, with an eye to the cabinet reorganization. But Shiozaki himself resulted in dampening such efforts.

The staff member of the Shiozaki's office had double-booked 6.26 million yen, attaching copies of the same receipts to different reports. After such sloppy funds management was brought to public notice, Shiozaki issued only a short comment on Aug. 20, evoking criticism that he has not fulfilled his duty to explain.

In the LDP, there is strong criticism of Shiozaki for a lack of prior consultations with the ruling parties and the Diet. Many party members have expressed opposition to Shiozaki's staying in office or assuming another cabinet post in the upcoming cabinet reshuffle.

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